

## **EXHIBITS 14 TO 22**

## **EXHIBIT 14**

1 of 2 DOCUMENTS

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BBC Monitoring Asia Pacific - Political  
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September 20, 2001, Thursday

**LENGTH:** 828 words

**HEADLINE:** Police officer claims Bin-Ladin's network in Philippines remains intact

**SOURCE:** Philippine Daily Inquirer web site, in English 20 Sep 01

**BODY:**

Text of report in English by Fe Zamora, carried by Philippine newspaper Philippine Daily Inquirer web site on 20 September, subheadings as received

Cohesive network

Radical Islam fundamentalist Usamah Bin-Ladin, the prime suspect in last week's terrorist attacks that killed over 5,000 people in the United States, maintains his network in the Philippines through an "informal and invisible command structure" sustained by local Muslims who see him as a "legendary jihad hero", according to a police intelligence officer who has been investigating activities of Muslim radicals in Mindanao since the 1980s.

Police senior superintendent Rodolfo Mendoza told INQ7.net that Bin-Ladin's network, which took roots in the early 1990s, remains intact today, contrary to some reports.

"There is no concrete, visible command structure involving Bin-Ladin," he said, "but Bin-Ladin (and his group) maintains cohesive network with veterans of the Afghan war, and that includes Filipino Muslims who are now either with the Abu Sayyaf, with the Moro Islamic Liberation Front (MILF), with the Moro National Liberation Front (MNLF) or even with some of the so-called lost commands roaming in Mindanao."

Many "radical Muslims" see Bin-Ladin as their hero and will obey him, Mendoza said. "They draw inspiration from his issuance of fatwa (religious decree) to destroy the infidel".

Bin-Ladin was reportedly sighted in Mindanao in the early 1990s but Mendoza, who said he received the report, said the report was never "substantiated".

A son of a Saudi billionaire, Bin-Ladin became a legend when he volunteered to join the jihad against the Russian invaders of Afghanistan during the 10-year Afghan war. "He was rich, he had all the luxuries in life, but he turned his back on his father's wealth to become a mojahedin," Mendoza related. "He became a legend because of this."

Many Filipino Muslims from Mindanao, among them Abdurazak Janjalani, a young scholar from Basilan who was then studying in Libya, also volunteered to fight in Afghanistan. When the war ended in 1989, Janjalani returned to Basilan where he founded the fundamentalist Abu Sayyaf Group.

Mendoza said Islamic fundamentalism started creeping into Sulu and Basilan in the mid-80s. It was strengthened by Janjalani, who would himself gain the respect of young Muslims for his exploits in Afghanistan.

Budding Islamic fundamentalist groups in Mindanao, according to Mendoza, received financial support from Bin-Ladin through the International Islamic Relief Organization (IIRO) established by Mohamad Jamal Khalifa, who is Bin-Ladin's brother-in-law.

BBC Worldwide Monitoring, September 20, 2001, Thursday

Khalifa has two Filipino wives identified in intelligence reports as Alice Yabo from Mindanao and Noralyn Zaragosa from Bulacan.

Retired Maj-Gen Benjamin Libarnes, former chief of the Intelligence Service of the Armed Forces of the Philippines (ISAFP), said Khalifa was monitored in the country from the late 1980s to the mid-1990s where he "gave material support such as seeds, medicines, to groups in Mindanao."

#### Conduit

Libarnes said Khalifa was a conduit for Bin-Ladin. Khalifa, through his Bulacan-born wife, sponsored the construction of several mosques and madrasah (school) in Central Luzon. Mendoza said Bin-Ladin also "sponsored" the training of foreign mujahedins in the MILF-controlled Camp Abubakar in Central Mindanao in the mid-1990s.

He said Bin-Ladin, through Khalifa, also "funded" several Muslim non-government organizations, including the International Resources Information Centre (IRIC) in Manila's midtown Malate district, which was "used as cover" by Ramzi Yousef, Abdulhakim Murad and four other radicals believed assigned to assassinate Pope John Paul in Manila in 1995.

The group's leader, Ramzi Yousef, escaped the police in Manila, but was later arrested in Pakistan. He is serving a jail term for the bomb explosions at the basement of the World Trade Centre in 1993.

Murad and two others were arrested in Manila in 1995. They have been extradited to the US where they were convicted along with Yousef.

In 1996 Bin-Ladin's "link" to the Philippines was temporarily cut off with the arrest of Khalifa abroad. With the help of US intelligence who have been monitoring Khalifa's activities, Bin-Ladin's brother-in-law was arrested on a warrant issued by a Jordanian court that indicted him in connection with a bomb blast in Jordan.

"Khalifa's network was replaced by a group composed of Jordanian-Palestinians which was activated in 1996," Mendoza said.

Libarnes believed Bin-Ladin's network was crushed following the wave of arrests of suspected foreign terrorists in 1996. Since he retired in 1998, however, Libarnes said he would not know of the recent developments.

Mendoza said the "Khalifa connection" was never cut off. He said that in 1998 there were at least six Muslim NGOs non-government organizations in the Philippines that had links to Bin-Ladin.

**LOAD-DATE:** September 20, 2001

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Time of Request: April 20, 2005 12:09 PM EDT

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## **EXHIBIT 15**

1 of 1 DOCUMENT

Copyright 2001 Daily News, L.P.  
Daily News (New York)

September 22, 2001, Saturday SPORTS FINAL EDITION

**SECTION:** NEWS; Pg. 8

**LENGTH:** 507 words

**HEADLINE:** U.S. CHARITIES CHECKED IN probe of terrorism funds

**BYLINE:** By THOMAS ZAMBITO DAILY NEWS STAFF WRITER

**BODY:**

Federal investigators are probing whether several U.S.-based charities had a role in channeling funds to Osama Bin Laden's terror network.

The tax-exempt organizations have appeared on the radar of federal investigators before as possible sources of funding for Al Qaeda and other terrorist groups.

Among those mentioned are two charities - one in Texas, the other in Missouri - whose government funding was cut off in recent years amid allegations of ties to terror groups.

In August 2000, Undersecretary of State Thomas Pickering wrote to the U.S. Agency for International Development, demanding that funding for the Holy Land Foundation in Richardson, Tex., be stopped.

"The continuation of the relationship does not contribute to the national defense and foreign policy interests of the United States," Pickering wrote.

USAID had just agreed to release funds to the group, though none were sent.

A foundation spokesman denied the relief group had any links to Bin Laden.

Dalal Mohamed said her group has not been contacted by federal investigators, but she said she would be perfectly willing to cooperate. "We have to do whatever it takes to find out what's going on," Mohamed said.

The foundation sends money to Palestinian refugees throughout the world.

Pickering sent an identical letter to USAID in December 1999 regarding the Islamic American Relief Agency in Columbia, Mo.

The U.S. had agreed to pay the group \$4.2 million for its relief work in Asia, Africa and Europe. It had received \$1 million from USAID before its government funding was cut off.

A spokesman for the Islamic American Relief Agency did not return phone calls seeking comment yesterday.

This week, the watchdog group, Judicial Watch, demanded that the Internal Revenue Service investigate several of the U.S. charities, saying evidence was mounting that they had funneled money to Bin Laden and other terrorist groups.

IRS spokesman Kevin McKeon said the agency will look into the issue.

"The IRS reviews all information it receives and will take whatever action is appropriate," McKeon said.

Testimony from key Bin Laden operatives this year revealed that Al Qaeda has used Islamic charities abroad to pay for terrorist attacks in the past, including the attacks on US embassies in Tanzania and Kenya that killed 224.

Daily News (New York) September 22, 2001, Saturday

Among those named were the Mercy International Relief Organization in Kenya and the International Islamic Relief Organization in Tanzania.

Experts say charities in Saudi Arabia are also suspect.

"There is a lot of talk that these foundations are used to channel money from supporters to his operation," said Dominic Simpson, a former British Foreign Service agent in Egypt now based in London running Kroll Associates' Middle-East practice.

Treasury officials this week said they would follow the trail of Bin Laden's money wherever it leads.

"If the money trail leads up to other organizations that are legitimate or involved in legitimate activities so be it," Treasury Undersecretary Jimmy Gurule said.

**LOAD-DATE:** September 23, 2001



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Time of Request: April 20, 2005 11:56 AM EDT

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## **EXHIBIT 16**



## Pakistan Deporting 89 Arab Aid Workers

Saturday, October 06, 2001

Associated Press

PESHAWAR, Pakistan — Pakistan's military regime ordered 89 Arab and other Muslims working for Islamic relief agencies deported, government and intelligence officials said Saturday.

The order appeared aimed at severing possible links to Usama bin Laden's Al Qaeda terrorist network in nearby Afghanistan. U.S. and other Western agencies have alleged that bin Laden's network uses some Islamic charities to channel money to terrorist cells.

A letter from the federal interior ministry, shown to The Associated Press by local officials, listed the individuals to be deported by name and nationalities. Most of them were from Saudi Arabia, Sudan, Egypt and Iraq.

The others were from Jordan, Somalia, Morocco, Algeria, Syria and Indonesia. All were working in Pakistan's Northwestern Frontier province along the border with Afghanistan.

One official, speaking on condition of anonymity, said the letter directed provincial administration to deport the 89 immediately.

However, provincial authorities refused to implement the order immediately and instead established a committee to investigate those on the list.

The committee was expected to complete its report in about two days, Pakistani officials said on condition of anonymity. However, the officials said many Arabs living in area have already left.

The order comes amid increasing speculation of an imminent attack on Afghanistan by the United States and its allies to try to flush out bin Laden, the key suspect in the Sept. 11 airborne assaults on the World Trade Center and the Pentagon.

Pakistan became a front-line state in Washington's war on terrorism when the military regime here promised its "unstinting" cooperation.

Pakistan is the only country that still recognizes Afghanistan's Taliban government and most importantly one of the few countries with strong intelligence information on the whereabouts of bin Laden's Al Qaeda training camps.

An emergency meeting of Islamic charities, headquartered in Peshawar and operating in Afghanistan, was held behind closed doors in Peshawar earlier Saturday. The meeting held behind closed doors.

At the Sudan-based Islamic Relief Agency (ISRA) several, Bashir Ahmed, administrator, said four of the five Sudanese working for the organization have already returned to Sudan with their families.

"Everybody was being harassed," he said, without specifying by whom. "Some had been here for two years, others for one year."

The letter sent from the federal government identified the following organizations: the Saudi Red Crescent, the Kuwait based Lajnat al-D'awa Al-Islamiah, International Islamic Relief Organization, Islamic Relief Agency (ISRA), Kuwait Red Crescent, Islamic coordination Council and Kuwait Red Crescent.

There was no indication of any wrongdoing by any of these organizations.

Last week President Bush froze the assets of a number of organizations and individuals believed to be financing bin Laden's global

terrorist network.

On that list were two Pakistani-based organizations, Harakat-ul-Mujahedeen, a Kashmiri militant group and Al Rashid Trust, an Islamic charity that heavily backs the Taliban regime.

So far no reason for the order has been given and the Arab employees of the charities refused to comment when contacted.

An interior ministry spokesman said an investigation is being conducted into the credentials of all international aid workers operating in Pakistan.

"We are not discriminating against Arabs and non-Arabs," said Abdul Rashid, a spokesman for the interior ministry. "All foreigners present in Pakistan are having their documents verified."

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## **EXHIBIT 17**



## **Orphanages in southern Philippines under probe**

Manila | By Barbara Mae Dacanay | 02/10/2001 | [Print this page](#)

Many orphanages in southern Philippines are being investigated as possible conduits for terrorist funding, a source said.

Authorities believe they could be housing children of terrorists who are being trained for suicide attacks, similar to the kind that left 6,000 dead in New York and Washington on September 11.

One orphanage in Mindanao has been pinpointed to have received funding from the International Islamic Relief Organisations (IIRO)," Candao Abbas said in a television interview.

The Philippines is part of the U.S. effort to stop money laundering for terrorists, an alleged financial strategy adopted by Osama bin Laden, the suspected mastermind behind the U.S. attacks. "Bin Laden's brother-in-law Mohammad Jamal Khalifa was a director general of the IIRO when it was established in Jolo," said Abbas.

The IIRO, one of the agencies linked to bin Laden, has headquarters in a Gulf country, Canada, the U.S. and Pakistan.

American investigators started monitoring IIRO's alleged involvement with bin Laden, following the investigation of Mahmoud Jaballah for involvement in the U.S. attacks. He previously worked for the IIRO, investigators said.

The group is part of the Muslim World League, which is funded by a Gulf state.

The orphanages could be assisting children of deceased terrorists. They can indirectly support the fighters, said Herbert Mueller of a German government agency that monitors extremists.

His assessment that funds for terrorism come from legitimate businessmen and charitable organisations has prompted Philippine authorities to investigate Muslim orphanages in Mindanao.

Khalifa earlier wrote a letter to President Gloria Macapagal-Arroyo saying he could persuade Abu Sayyaf leaders to release two American nationals and 16 Filipinos who are held hostage in the hinterland of Basilan since April and May this year.

Khalifa denied allegations that the non-government organisations he had established in Mindanao were conduits for terrorism and bin Laden.

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## **EXHIBIT 18**

2 of 2 DOCUMENTS

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September 09, 1998; Wednesday 07:45 Eastern Time

**SECTION:** International news

**LENGTH:** 407 words

**HEADLINE:** Kenya bans six Islamic aid agencies after U.S. Embassy bombing

**DATELINE:** NAIROBI, Kenya

**BODY:**

Kenya banned six aid agencies linked to Islamic organizations, including at least one raided in connection with terrorist attacks on U.S. embassies in East Africa, a newspaper said Wednesday.

The groups were banned because they "had been found to be working against the interests of Kenyans in terms of security," John Etemesi, chairman of the Nongovernmental Coordinating Board, which registers aid agencies in Kenya, said Tuesday, according to the Daily Nation newspaper.

"Our investigations reveal that the operations of these organizations are inconsistent with the reasons for which they were registered," Etemesi said without elaborating.

Etemesi out of his office Wednesday. His assistant, who declined to be named, confirmed the ban but declined to elaborate.

FBI agents and Kenyan detectives raided the offices of one of the banned organizations, Mercy Relief International, in Nairobi following the Aug. 7 terrorist bombings of the U.S. embassies in Kenya and Tanzania.

The blasts killed 258 people, including 12 Americans, and injured more than 5,500 people.

The government also banned Help Africa People, Al Haramain Foundation, and the Ibrahim bin Abdul Aziz al Ibrahim Foundation, all three of which are based in Nairobi, plus the International Islamic Relief Organization, which is based in the Indian Ocean port of Mombasa.

A sixth banned agency, Rabitat Islam Ali Slam of Nairobi, was not registered, but illegally engaged in relief work, Etemesi said.

All six of the agencies serve Kenya's Muslim community.

Telephone calls to the agencies went unanswered Wednesday.

Two suspects in the Nairobi bombing Mohamed Rashed Daoud Al-'Owhali and Mohammed Saddiq Odeh were flown from Kenya to New York last month to face charges.

Authorities in the United States have linked the pair to Islamic militant Osama bin Laden.

The International Islamic Relief Organization has its main office in a Mombasa neighborhood where Odeh formerly lived. His Kenyan wife and son are now staying in a relative's home nearby.

The International Islamic Relief Organization had earlier lost its exemption from paying customs duties after the Finance Ministry complained the agency was selling its duty-free food to merchants.



Associated Press Worldstream September 09, 1998; Wednesday

The organization's operations were concentrated along the Indian Ocean coast and in eastern and northeastern regions where most of Kenya's Muslim community lives.

(VAR-cm-kjd)

**LOAD-DATE:** September 09, 1998

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\*\*\*\*\* Print Completed \*\*\*\*\*

Time of Request: May 31, 2005 12:17 PM EDT

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Number of Lines: 46

Number of Pages: 2

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## **EXHIBIT 19**



2 of 2 DOCUMENTS

Copyright 1998 IPS-Inter Press Service/Global Information Network  
IPS-Inter Press Service

September 10, 1998, Thursday

**LENGTH:** 779 words

**HEADLINE:** KENYA: GOV'T SHUTS DOWN FIVE ISLAMIC RELIEF AGENCIES

**BYLINE:** By Judith Achieng'

**DATELINE:** NAIROBI, Sep. 10

**BODY:**

Kenya's decision to ban five Islamic relief agencies for allegedly "supporting" terrorism has alarmed the East African country's NGO community.

"It is discouraging and threatening for many of us who are honestly trying to improve the living standards of the poor," said Alice Muita of the Nairobi-based Horn of Africa Relief Agency (HARA).

HARA operates in neighboring Somalia and Sudan with the majority Muslim populations. Muita fears that HARA may become the Kenyan government's next victim.

The five organizations were de-registered on Sept. 8 by the NGO coordinating board, a government body which oversees aid groups.

According to the NGO coordinating board's director, John Etemesi, the organizations "had been found to be working against the interests of Kenyans in terms of security".

The offices of one of them, Mercy Relief International, were raided by a team of Kenyan police and U.S. Federal Bureau of Investigations (FBI) agents a few days after the Aug. 7 bombing of the U.S. embassies in Nairobi and Dar es Salaam, Tanzania.

The other four -- the Al-Haramain Foundation, Help African People, the Islamic Relief Organization and Ibrahim Bin Abdul Aziz Al Ibrahim Foundation -- have not been raided by the law enforcement officers.

More than 250 people were killed and 5,000 others injured in the two East African cities by the bomb blasts, which were blamed on Islamic terrorists linked to the dissident Saudi millionaire, Osama bin Laden.

"The de-registered organizations were recently involved in activities and matters that are not in the interest of state security," Etemesi said.

He added that Kenya's 984 NGOs would be investigated and if "found to indulge in matters not worth the safety and interest of the welfare of Kenyans", they would be de-registered.

"When NGOs begin to involve themselves in matters for which they are not registered, the board takes this as a serious matter," he was quoted as saying by Kenya's independent East African Standard newspaper yesterday.

Kenyan authorities suspect that materials used for the building of the bombs, each weighing at least 800 kilograms, were smuggled into East Africa disguised as relief aid with the help of some Islamic relief agencies.

The decision to de-register the agencies came barely a month after President Daniel arap Moi, at a public rally in the Kenyan capital of Nairobi, questioned the credibility of some organizations he said had come into the country under

IPS-Inter Press Service September 10, 1998

the guise of relief agencies, but were a threat to public security. He said his government would trim down the number of NGOs from 984 to a manageable size, leaving only recognized charities like the Red Cross and the U.N. Children's Fund (UNICEF) to operate in Kenya.

Addressing mourners at the bomb site a few days later, he said those behind the Aug. 7 bombing "could not have been Christians".

His widely publicized remarks drew criticism from Muslim leaders who claimed their religion was being wrongly associated with violence. "Islam like any other religion does not support the killing of innocent people for whatever reason," Sheikh Ahmad Khalif, head of the Supreme Council of Kenyan Muslims (SUPKEM), said.

He accused the government of deliberately excluding Muslims, who form about 10 percent of Kenya's 30 million population, from the prayer services held for the victims of the bomb blast. The services were conducted by Christian leaders.

Moses Mureithi of the Joint Kenya-Arab Chamber of Commerce and Industry, which promotes trade between Kenya and Arab countries, warned that the crackdown would harm Kenya's economy.

"The government ought to rethink its dealings with errant organizations, because it may discourage genuine Arabs from investing in this country," he said.

Some think the government is simply using the Aug. 7 bombing incident to crackdown on "maverick" civic groups. "NGO's have always stood up against the rampant corruption in government offices," said Muita of HARA.

Unconfirmed reports indicate that the government might introduce a tax as a way to control the NGOs. If that happens, "many NGOs will close down, because they will not be able to afford it. Already there is little flow of funds from the donors," she added.

Badru Mapesa of the Nairobi-based Islamic Foundation of Kenya, however, takes a different view. "The government knows what it is doing and there is nothing wrong in investigating NGO activities," he said. "Some NGOs claim that they bring a lot of benefit to the country but, if the benefits are less than what it costs to host them, then they should be done away with".

**LOAD-DATE:** September 11, 1998

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\*\*\*\*\* Print Completed \*\*\*\*\*

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## **EXHIBIT 20**

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Print Request: Current Document: 1

Time of Request: May 31, 2005 12:24 PM EDT

Number of Lines: 36

Job Number: 1862:46657850

Client ID/Project Name: 117430-sbc

Note:

Research Information:

News, All (English, Full Text)  
"banned islamic ngos

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1 of 1 DOCUMENT

Copyright 1998 Indigo Publications  
The Indian Ocean Newsletter

September 12, 1998

**SECTION:** POLITICS & POWER; KENYA; N. 824**LENGTH:** 337 words**HEADLINE:** Banned Islamic NGOs**BODY:**

When Kenyan head of state Daniel arap Moi two weeks ago threatened to cancel the authorization of certain NGOs, he seemed to be targeting local NGOs close to the opposition, such as Citizens Coalition for Constitution Change, Clarion, Kenya Human Rights Commission, International Commission of Jurists' local branch, or Kituo cha Sheria (a legal aid centre) among others, which have been highly critical of the political establishment.

But the ban pronounced "for security reasons" on September 8 hit NGOs associated with fundamental Islamism inside and outside of Kenya following investigations into last month's bomb attacks on American embassies in Nairobi and Dar es Salaam. The NGOs are Al Haramain Foundation, Help Africa People, Ibrahim bin Abdul Azziz al Ibrahim Foundation, International Islamic Relief Organization, and Mercy Relief International Agency.

Kenyan CID officers and US FBI agents searched the Nairobi offices of Mercy Relief International (which is suspected of having played an essential role in forwarding basic bomb-making components) after the attacks. Several of the terrorist suspects are believed to have entered Kenya as salaried employees or officials of fundamentalist NGOs. Last year, the Kenyan government had arrested several fundamentalists working for the Al Haramain Foundation on charges of inciting trouble between Christian and Muslim believers in Kenya's North-East Province (a region inhabited by mostly Somali Muslims) by pushing local inhabitants to boycott relief from non-Muslim NGOs. Churches in Wajir District were fired recently, allegedly by radical Muslim elements, and the Kenyan authorities again suspected the Al Haramain Foundation.

I.O.N. - Muslims make up some 25 percent of Kenya's population and the government ban on Muslim NGOs has sparked anxiety and protests. The very conservative and pro-government Supreme Council of Kenya Muslims went as far as accusing, in a statement, the regime of "demonizing" Islam by blaming it for the attacks.

**LOAD-DATE:** September 16, 1998

120SG5

\*\*\*\*\* Print Completed \*\*\*\*\*

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Number of Pages: 1

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## **EXHIBIT 21**

3 of 3 DOCUMENTS

Copyright 1999 The Washington Post  
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January 08, 1999, Friday, Final Edition

**SECTION:** A SECTION; Pg. A01**LENGTH:** 1095 words**HEADLINE:** Panel Cites U.S. Failures On Security for Embassies**BYLINE:** John Mintz, Washington Post Staff Writer**BODY:**

A U.S. government commission appointed to investigate why two U.S. embassies in Africa were vulnerable to terrorist bombings issued a scathing report yesterday, criticizing "the collective failure of the U.S. government over the past decade" to prepare for terrorist attacks and to adequately fund security improvements at American embassies.

"Responsibility for this failure can be attributed to several administrations and their agencies, including the Department of State, National Security Council, and Office of Management and Budget, as well as the U.S. Congress," said the report of the panel, chaired by retired Adm. William J. Crowe, former chairman of the Joint Chiefs of Staff.

The report, which is to be released today by the State Department, notes that U.S. intelligence agencies detected a number of threats of terrorist strikes against the American embassies in Nairobi and Dar es Salaam in the two years before the nearly simultaneous bombings last Aug. 7 that killed 224 people and wounded 5,000. But the intelligence was too vague to be very useful, the 11-member panel concluded.

Instead, the commission said that U.S. officials have been too reliant on such "warning intelligence," and tended to relax their guard in the absence of intelligence reports describing specific dangers. This has left the country ill-prepared to face "transnational" terrorists such as Osama bin Laden, the Saudi millionaire who U.S. officials believe coordinated the East African attacks, the Crowe report said.

Eleven people have been charged along with bin Laden in federal court in New York in the bombings.

The panel reserved its harshest criticism for U.S. officials' failure to contemplate the possibility of the type of truck bombs that destroyed the two embassies, particularly in light of the 1996 truck bombing of a U.S. Air Force dormitory in Saudi Arabia that killed 19 airmen, and the destruction of the U.S. Marine barracks and the U.S. Embassy in Beirut in 1983.

An official close to Secretary of State Madeleine K. Albright said: "As she has said before, she takes responsibility for the failures of the department. She has said and says that terrorism has to be a higher priority, and she has talked to counterparts at other agencies in an effort to take action following this collective failure."

"This is not an easy report" for the Clinton administration, said another senior U.S. official last night. "But our hope is it will help us with addressing the main problem here: an inability to get funding for these security measures."

The Crowe panel, which was appointed by Albright and CIA Director George J. Tenet under a 1996 law requiring such reports after fatal terrorist attacks, recommended that the U.S. government spend \$1.4 billion a year over 10 years to improve security at U.S. diplomatic missions. That is in addition to the \$1.4 billion hurriedly added to the State Department's security budget by Congress and the Clinton administration after the August bombings.

Among its other proposals were a recommendation to bring all overseas U.S. facilities up to the standards recommended in a similar report drawn up in 1985 by a panel headed by former CIA deputy director Bobby Ray Inman. Since then,

The Washington Post, January 08, 1999

about 15 embassies have been upgraded to Inman's standards — including being set back from public streets and built with sturdy design techniques.

But in the 1980s, Congress and the Office of Management and Budget refused to spend the billions that Inman's proposals required. Since then reductions in the State Department's budget by Congress made the improvements unfeasible, officials have said.

The panel praised Prudence Bushnell, U.S. ambassador to Nairobi, for repeatedly asking superiors at the State Department to build a new embassy there that was up to Inman standards as she became increasingly concerned about the many terrorist threats the embassy was receiving.

She cabled Washington in December 1997 warning of the embassy's "extreme vulnerability," especially because it abuts two of downtown Nairobi's busiest streets, the report said. But officials here replied that because it faced only a "medium" threat of terrorism according to the department's rating system, Nairobi "ranked relatively low among the chancery replacement priorities."

The report concluded that "systemic and institutional failures in Washington were responsible for a flawed process for assessing threat levels worldwide which underestimated the threat of terrorism in Nairobi."

"There was no credible intelligence that provided immediate or tactical warning of the Aug. 7 bombings," the panel said. "A number of earlier intelligence reports cited alleged threats against several U.S. diplomatic and other targets, including the embassies in Nairobi and Dar es Salaam . . . but were largely discounted because of doubts about the sources. Other reporting, while taken seriously, was imprecise, changing and nonspecific as to dates, diminishing its usefulness."

Moreover, the commission found that actions taken by CIA and FBI officials to put pressure on the bin Laden network in Nairobi in 1997 and early 1998, as well as on Al-Haramain, a Saudi charity with alleged terrorist links, lulled U.S. authorities into thinking the threats had dissipated.

"Indeed, for eight months prior to the Aug. 7 bombings, no further intelligence was produced to warn the embassies in Nairobi and Dar es Salaam," it said.

"Intelligence and policy communities relied excessively on tactical intelligence to determine the level of potential terrorist threats to posts worldwide," the report said. "The Inman report noted and previous experience indicates that terrorist attacks are often not preceded by warning intelligence. We cannot count on having such intelligence warn us."

The panel's proposals include an indication of how vulnerable top American officials believe their embassies are — it recommends that all U.S. embassies store evacuation and digging tools, as well as next-of-kin documents about diplomats, in sites away from the embassies.

In a statement attached to the report, Crowe wrote, "Unless these vulnerabilities are addressed on a sustained basis, the lives and safety of U.S. government employees and the public in many of our facilities abroad will continue to be at risk."

"What is most troubling is the failure of the U.S. government to take the necessary steps to prevent such tragedies through an unwillingness to give sustained priority and fund to security improvements," he added.

**LOAD-DATE:** January 08, 1999

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## **EXHIBIT 22**

1 of 1 DOCUMENT

Copyright 1999 The New York Times Company  
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January 9, 1999, Saturday, Late Edition - Final

**SECTION:** Section A; Page 1; Column 1; Foreign Desk

**LENGTH:** 3500 words

**HEADLINE:** UNHEEDED WARNINGS: A special report;  
Before Bombings, Omens and Fears

**BYLINE:** By JAMES RISEN and BENJAMIN WEISER

**BODY:**

In the spring of 1998, Prudence Bushnell, the United States Ambassador to Kenya, sent an emotional letter to Secretary of State Madeleine K. Albright begging for the Secretary's personal help.

Ms. Bushnell, a career diplomat, had been fighting for months for a more secure embassy in the face of mounting terrorist threats and a warning that she was the target of an assassination plot. The State Department had repeatedly refused to grant her request, citing a lack of money. That kind of response, she wrote Ms. Albright, was "endangering the lives of embassy personnel."

The Central Intelligence Agency and the Federal Bureau of Investigation had been amassing increasingly ominous and detailed clues about potential threats in Kenya, officials said. The State Department bureaucracy still dismissed Ms. Bushnell's pleas. She was even seen by some at the State Department as a nuisance who was overly obsessed with security, according to one official.

Ms. Albright took no action. And three months later, on Aug. 7, the American Embassies in Tanzania and Kenya were simultaneously attacked with car bombs. Twelve American diplomats and more than 200 Africans were killed in Kenya.

The State Department has acknowledged that Ms. Bushnell raised questions about security before the bombing. But a close examination of events in the year before the assaults, based on interviews with officials throughout the United States Government, shows her concerns were more intense, more well founded, more specific and more forcefully expressed than has previously been known.

The review produced these findings:

\*The Central Intelligence Agency repeatedly told State Department officials in Washington and in the Kenya embassy that there was an active terrorist cell in Kenya connected to Osama bin Laden, the Saudi exile who is accused of masterminding the attack.

\*The C.I.A. investigated at least three terrorist threats in Nairobi in the year before the bombing and took one seriously enough to send a counterterrorism team from C.I.A. headquarters. The agency ultimately concluded that the threat was unfounded, but some officials say the inquiry was botched, and the agency's inspector general is investigating how it was handled.

\*State Department officials brushed aside Gen. Anthony C. Zinni, commander of the United States Central Command, who had visited Nairobi and warned that the embassy there was an easy and tempting target for terrorists. General Zinni's offer to send his own specialists to review security in Nairobi was turned down by the State Department.

\*The State Department had all but abandoned the commitment it made after the 1983 bombing of the embassy in Beirut to improve embassy security. Department officials had long since stopped asking Congress for the money needed to meet its own standards, and had adopted a strategy of improving the handful of embassies it believed were at greatest



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risk. Nairobi was not one of them.

Ms. Bushnell, in a rare interview about the bombing, said by telephone from Nairobi yesterday: "This is a tragedy in the real sense of the word, and it's a tragedy that has caused us to think differently. We no longer operate under the assumptions that we did in the past."

A report made public yesterday by a commission appointed by Ms. Albright excoriated the State Department for failing to safeguard American missions against terrorist attacks, and particularly for giving vulnerable missions like the one in Nairobi lower priority when experience shows they make attractive targets for terrorists.

But the report, signed by Adm. William J. Crowe Jr., former Chairman of the Joint Chiefs of Staff, concluded that "intelligence provided no immediate tactical warning of the Aug. 7 attacks."

Still, classified cable traffic and intelligence reports, which were not included in the public version of Admiral Crowe's report, show that while none of the warnings gathered by American intelligence in the year before the bombings pointed to a particular act of terrorism on a particular day, the United States had growing indications that the embassy was a target of terrorist plots, and that terrorists hostile to American interests were active in Kenya.

State Department officials insist that they were sympathetic to Ms. Bushnell's concerns. They added that it was impossible to respond to each terrorist threat it received. Department officials also assert that even if Ms. Bushnell's requests had been granted, a new embassy could not have been in place in time to prevent the attack in August.

They also said they were told at the time by the C.I.A. that the threats in Nairobi had either proved unfounded or had been dealt with by the Kenyan authorities.

Administration officials said Ms. Bushnell began raising concerns about embassy security soon after her 1996 arrival in Nairobi.

She sent two cable to headquarters in December 1997 outlining the dangers and asking for a new embassy. Her request was not seriously considered, officials said, when senior State Department officials met in January 1998 to set a budget for embassy construction in the coming year.

"It didn't come up on the radar screen," a senior Administration official said.

This prompted her to try her end-run with Ms. Albright. In memos sent in April and May, she asked Ms. Albright to cite Nairobi's vulnerability to Congress in seeking more funds for security. In addition, Ms. Bushnell was lobbying every senior American official and member of Congress who came to Nairobi. According to an American official, she would say: "How do you like our building? I think it's terrible." Ms. Bushnell "did not want to be in that building," the official said.

While none of the terrorist threats investigated by the C.I.A. were substantiated, they focused Ms. Bushnell's attention on just how vulnerable her embassy was. "If you know there is a viper's nest around, then that gives you pause," a State Department official said.

#### The Terrorists

##### Focus on a Network Linked to bin Laden

By the mid-1990's, the global investigation touched off by the 1993 World Trade Center bombing had focused on Mr. bin Laden and his associates. F.B.I. agents from New York were hard at work building a criminal case against the Saudi exile. At the same time, the C.I.A. was tracking the group's movements and finances in hopes of preventing attacks.

One trail led to Kenya, where the agency discovered that Mr. bin Laden's operatives were living. Intelligence officials say they briefed Ms. Bushnell about the presence of the group in early 1997 but told her there was no evidence of a specific threat against the embassy or American interests in Kenya.

In the summer of 1997, American intelligence officials began to look more closely at what Mr. bin Laden was doing in Africa. The C.I.A. identified an intriguing suspect: Wadhi el-Hage, a Lebanese-born American citizen in Kenya who was believed to have close ties to the leadership of Mr. bin Laden's group.

American officials prodded their Kenyan counterparts to raid Mr. Hage's home in Nairobi, an overture that was shared with Ms. Bushnell and others in the embassy.

The New York Times, January 9, 1999

The Kenyan police, accompanied by the C.I.A. and F.B.I., searched the house in August 1997. They found his computer, downloaded its files, and read a letter describing the existence of an "East African cell" of Mr. bin Laden's group.

The author of the letter mentioned recent attempts by American intelligence to investigate the group's Kenyan operations and alluded to its role in attacking American soldiers in Somalia a few years earlier. According to the document, the group had moved a cache of incriminating files from Mr. Hage's house and hidden them elsewhere.

That reference set off alarm bells.

American officials suspected that the missing files might contain evidence of a coming attack by Mr. bin Laden's Kenyan operatives. The working theory, officials said, was that such a plot would be aimed at another country, with Nairobi used as a "jumping off point."

A law enforcement official said American investigators began a "somewhat frantic, concerted effort" to locate the missing files. "The concern was high enough about something being out there to go right away," the official said.

As part of that effort, a second search was conducted in Kenya at another location in September 1997. This time, an official from the embassy joined the C.I.A., F.B.I. and Kenyans. No files were found.

The F.B.I. interviewed Mr. Hage, who had moved to the United States, three times, but he professed to know little of Mr. bin Laden or his activities in Kenya.

Today, Mr. Hage is in jail in New York, awaiting trial on charges of lying in those interviews and conspiring with Mr. bin Laden to kill Americans abroad. He has not been directly linked to the bombings in Kenya, but has been accused of being one of the Saudi exile's chief lieutenants, responsible for setting up front companies in Kenya and seeking components for chemical weapons. He has pleaded not guilty.

Still, the C.I.A. and F.B.I. believed at the time that they had uncovered a potentially dangerous terrorist group linked to Mr. bin Laden. State Department officials insist that they were not told of this and stress that they were given only a "fragmentary" understanding of the reasons for the raid on Mr. Hage's house.

The officials said they had been told only that the C.I.A. was assisting a criminal investigation by the New York F.B.I.

"At no time were we told he was connected to Osama bin Laden or to any threat against U.S. interests in Kenya," a senior State Department official said.

Another department official said, "If we had known there was a significant bin Laden network in Kenya, we would have gotten our people the hell out of that building."

Intelligence and law enforcement officials strongly dispute the State Department's assertions.

The State Department, an intelligence official said, was briefed about the presence of Mr. bin Laden's operatives in Kenya, "before, during, and after" the August 1997 raid on Mr. Hage's house.

Over the next year, intelligence officials said, the C.I.A. sent the State Department numerous reports detailing the activities of Mr. Hage and others linked to Mr. bin Laden in Kenya. "Some of those reports referred to Osama bin Laden in the first paragraph," an American intelligence official said.

#### The Warnings

##### Internal Dispute Over Jailed Suspects

In the summer of 1997, the C.I.A.'s Nairobi-based officers learned of another possible terrorist threat to the embassy.

The intelligence service of another country, which American officials declined to identify, turned over an informant to the C.I.A. In a series of conversations, the informant said the Nairobi branch of an Islamic charity, Al Haramain Foundation, was plotting terrorist attacks against Americans, according to Government officials.

The informant eventually warned that the group was plotting to blow up the American Embassy in Nairobi.

Officials said the C.I.A. station chief, the agency's highest-ranking officer in Nairobi, relayed the threats to the Ambassador and other embassy officials, touching off a dispute between the agencies over what to do next.

The New York Times, January 9, 1999

Senior diplomats at the embassy wanted the C.I.A. to ask the Kenyan authorities to arrest the group's members immediately. But the C.I.A.'s station chief, uncertain about the credibility of the informant, initially favored keeping an eye on the group, according to American officials.

The diplomats prevailed, and on Oct. 31, the Kenyans arrested nine Arabs connected to Al Haramain, and seized the group's files.

While the United States receives thousands of terrorist threats a year, this one was taken so seriously that the C.I.A. took the unusual step of sending a team of counterterrorism specialists from its Langley, Va., headquarters to Nairobi to investigate.

The C.I.A. team, which included an Arabic-speaker, scoured Al Haramain's seized files, but could find no evidence of a bomb plot. Members of the counterterrorism team wanted to question Al Haramain members in jail, to make sure they were not missing any clues.

But that request set off another dispute, officials said. The agency's station chief refused to ask the Kenyans for access to Al Haramain suspects, insisting that he had pushed his local counterparts far enough. The station chief said he did not want to strain his relations with the Kenyans.

Senior officials at C.I.A. headquarters urged the station chief to reconsider, but they said the decision was ultimately his, and he held his ground.

There were no interviews. Because the files seized from the group's offices showed no evidence of a bombing plot, the C.I.A. soon dropped its investigation. Without any evidence against Al Haramain, the agency concluded that its informant was not credible, officials said. Kenya washed its hands of the group, ordering the nine deported.

But some members of the counterterrorism team were furious, officials said, and complained that their investigation had been dangerously short-circuited. They felt they were unable to conduct a thorough investigation without talking to the suspects. Some team members attributed the decision to the station chief's lack of field experience; he was a career analyst from the C.I.A.'s Directorate of Intelligence who was on his first overseas espionage assignment.

Embassy officials say they were not aware of the internal C.I.A. dispute, and add that they assumed at the time that it was the Kenyans who had denied access to the suspects. "Why would you not want to interview them?" a State Department official asked.

Ambassador Bushnell was told of the findings of the inquiry, and assured that the threat had been eliminated by the arrests. In fact, there were some lingering questions. Some intelligence officials believed at the time that members of the charity were tied to Mr. bin Laden.

It was, perhaps, another indication of possible terrorist activity in Kenya. But the C.I.A. did not circulate any intelligence reports through the rest of the Government about the case.

Today, intelligence officials insist that there is no evidence linking the group to the embassy bombings. But they say they now have evidence that connects them to Mr. bin Laden. The agency's inspector general is examining the case.

A third warning surfaced in November 1997. Mustafa Mahmoud Said Ahmed, an Egyptian, walked into the embassy and told C.I.A. officers he knew of a group that was planning to detonate a bomb-laden truck inside the diplomats' underground parking garage.

In a separate interrogation by Kenyan security officials, which was relayed to the Americans, Mr. Ahmed made his own involvement in the plot clear, saying he had already taken surveillance photos of the embassy for the attack, which he said was to involve several vehicles and stun grenades.

The C.I.A. issued two intelligence reports on Mr. Ahmed's statements, but cautioned in its reports that Mr. Ahmed might have fabricated his story, thus playing down the significance of the warning.

Mr. Ahmed is now being held in jail in Tanzania in connection with the embassy bombing in Tanzania, and American officials still are not sure what to make of his 1997 warning.

#### The Appeals

Ambassador's Pleas For Funds Dismissed



The New York Times, January 9, 1999

The warnings in August and November prompted Ms. Bushnell to renew her case for a new embassy.

On Dec. 15, 1997, she sent a report back to State Department headquarters warning that the embassy's location made it "extremely vulnerable to a terrorist attack," and that it had to be replaced with a more secure building. Less than two weeks later, on Dec. 24, she sent another cable saying again that "the embassy's security profile, in a congested, downtown location, is cause for serious concern," and asked for a comprehensive review of the embassy's security status.

She also asked that State Department officials go back to Congress to ask for more money in to finance a new Nairobi embassy.

Senior officials were not swayed, arguing that the dangers were nonexistent or already dissipated. Mr. Ahmed's warning, a senior official said, had been largely discounted as not credible. The Kenyans had taken care of the more serious threat, he said, by arresting members of Al Haramain.

In a January 1998 budget review concerning embassy construction funds that included Under Secretary of State for Management Bonnie Cohen and other senior officials, Ms. Bushnell's request was not seriously considered, officials acknowledged.

Responding to her warnings of a worsening terrorist threat, a January 1998 cable told Ms. Bushnell that other embassy projects had priority, and that a new Nairobi embassy was not in the State Department's plans.

The cable said headquarters agreed that a "new chancery would be ideal," but that the State Department "had reviewed the case and understood her concerns" and had turned her down. In fact, the State Department had a long wish list of embassies it eventually wanted to replace, and Nairobi was not on it.

Congressional and State Department officials say that before the August embassy bombings, the department asked Congress to include funds in its fiscal 1999 budget for only two new embassies, in Beijing and Berlin. Those were the only new embassies the State Department had sought Congressional funds for since at least fiscal 1996.

Ms. Bushnell's increasingly insistent demands for a new embassy were so far out of step with the State Department's plans that officials at headquarters were beginning to see her as a nuisance who was obsessed by security, according to an official familiar with the matter.

But in addition to the terrorist threats, Ms. Bushnell had other reasons for concern about security, including street crime and local political violence.

In early 1998, the C.I.A.'s deputy station chief in Nairobi was mugged near the building. Ms. Bushnell, officials disclosed, had been told about a plot to kill her in early 1998 as well. And the local police refused to guard the embassy and sometimes beat up political dissidents right in front of the building, according to an American official.

#### The Plans

##### Garage Doors, Fences And Remodeling

Still, even similar warnings from other senior Government officials failed to persuade the State Department to change its mind. General Zinni, the commander of American forces in the region that includes East Africa, also sent a cable to the State Department warning that the embassy was vulnerable to a terrorist attack after he saw security conditions there for himself.

In the cablegram, General Zinni offered to send a security team from his Central Command to review security at the embassy, but his offer was turned down by the State Department because it was already planning to send its own team to placate Ms. Bushnell. In March 1998, a team from Diplomatic Security and the Foreign Building Office, which handles embassy leases and construction projects, arrived in Nairobi to conduct a security review.

In March, officials updated the security assessment last conducted at the embassy in 1994, and found that the embassy was in compliance with the security standards the State Department had established for a post facing a medium terrorist threat.

Security recommendations made in 1994 had been carried out, the review found. A week later, the team sent out from Washington conducted its review, and proposed about \$500,000 worth of new security measures, including the installation of a new fence around the front parking lot, upgrading perimeter surveillance, and construction of a fence in front of the embassy's front entrance.

The New York Times, January 9, 1999

In March, funds for a special roll-down door for the underground parking garage was approved. Two months later, funds for a similar door for the front entrance of the building and a new perimeter fence were approved. But by the time of the attack, only the garage door had been installed.

Immediately after the attack, the State Department said it had been planning to spend about \$3 million in 1999 to upgrade security at the embassy. But officials now acknowledge that most of the money was earmarked for interior remodeling, and that only a small part was to go for security.

"We felt they shouldn't bother to renovate," an official said. "We said they should use that money for a new building."

After the bombings, the Clinton Administration has also asked Congress for \$1.8 billion to improve security at diplomatic posts around the world, and to build new embassies in Nairobi and Dar es Salaam. Yesterday, the Crowe panel included a recommendation that the State Department spend an additional \$14 billion over the next decade.

And just before Christmas, the State Department briefly closed the embassy in Nairobi after the United States was warned that Mr. bin Laden and his group might be ready to strike again.

<http://www.nytimes.com>

**GRAPHIC:** Photos: More than 200 died in the bombing of the U.S. Embassy in Nairobi. (Agence France-Presse)(pg. A1); Prudence Bushnell, the United States Ambassador to Kenya, bid farewell in August to the coffins of 11 of the 12 Americans who were killed in the terror bombing of the embassy. Her earlier warnings to Washington about embassy security had gone unheeded. (Agence France-Presse); Secretary of State Madeleine K. Albright addressing Kenyans at the bomb-damaged United States Embassy in Nairobi a week and a half after the attack in August. (Reuters)(pg. A6)

Map of Tanzania and Kenya highlighting Nairobi. The embassy attacks in Nairobi and Dar es Salaam were nearly simultaneous. (pg. A6)

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